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To enrich lives through effective and caring service.



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February 8, 2007

Agenda Date: February 20, 2007

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, CA 90012

Dear Supervisors:

**REQUEST TO APPROVE AGREEMENTS WITH SPRINT NEXTEL CORPORATION
FOR FUNDING AND M/A-COM, INC. FOR PLANNING SERVICES FOR THE
RECONFIGURATION OF THE COUNTYWIDE INTEGRATED RADIO SYSTEM
(CWIRS)
(ALL DISTRICTS - 3 VOTES)**

**CIO RECOMMENDATION: APPROVE [X] APPROVE WITH MODIFICATION []
DISAPPROVE []**

IT IS RECOMMENDED THAT YOUR BOARD:

1. Approve and authorize the Director of the Internal Services Department, or his designee, to execute a Planning Funding Agreement (PFA), substantially similar in form to the attached, with Sprint Nextel Corporation (Sprint Nextel), in order to provide funding to the County in the amount of \$442,408 for the planning stage for reconfiguration of the Countywide Integrated Radio System (CWIRS).
2. Authorize the Director of the Internal Services Department to accept funding under the PFA and establish appropriate financial procedures and controls for the allocation, expenditure, and accounting of funds for the reconfiguration of CWIRS.
3. Approve and authorize the Director of the Internal Services Department, or his designee, to execute a no-cost Reconfiguration Planning Agreement (RPA), substantially similar in form to the attached, with M/A-COM, Inc., for M/A-COM to provide planning services related to the reconfiguration of CWIRS. The agreement has a term of one hundred twenty (120) days, effective upon execution, and has a maximum contract amount of \$246,472.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

The purpose of this recommended action is to request your Board to authorize the Director of the Internal Services Department to sign two agreements related to the planning stage of the Countywide Integrated Radio System (CWIRS) Reconfiguration Project.

Background

The Federal Communications Commission (FCC) has mandated that public safety radio systems throughout the country using the 800 MHz frequency spectrum, including CWIRS, be reconfigured to frequencies in a different portion of the 800 MHz band. This reconfiguration is necessary to eliminate interference caused by Sprint Nextel. The FCC is requiring Sprint Nextel to fund for all reconfiguration costs.

The reconfiguration will consist of reprogramming existing radio sites as well as all mobile and portable equipment. Wherever site or mobile and portable equipment cannot be reprogrammed, new equipment will be acquired and installed. We estimate that a substantial amount of site and portable and mobile equipment will need to be replaced with new models having equivalent or better features. This project will afford the County a significant opportunity to refresh CWIRS, with benefits of updated technology and greater longevity, at no cost to the County.

Project Stages and Agreements

In a memo of October 26, 2006, the Internal Services Department (ISD) informed your Board of activities that ISD would be undertaking in 2007 related to the frequency band reconfiguration of CWIRS. The memo indicated the reconfiguration project will proceed in two stages: (1) the planning stage, and (2) the implementation stage. Each stage will require a funding agreement with Sprint Nextel to provide funding as mandated by the FCC, and a services agreement with the CWIRS equipment vendor, M/A-COM, to provide services and equipment related to the reconfiguration.

The two agreements before your Board for approval at this time are for the planning stage.

IMPLEMENTATION OF STRATEGIC PLAN GOALS

The proposed action supports the County's Strategic Plan Goal 3, Organizational Effectiveness, and Goal 8, Public Safety. The reconfiguration of CWIRS will allow the County to comply with a mandatory requirement of the FCC and will result in the

utilization of updated technology by County departments. It also supports Goal 4, Fiscal Responsibility in that the reconfiguration will be implemented at no cost to the County.

FISCAL IMPACT/FINANCING

Under the FCC 800 MHz orders of July 8, 2004 as amended, Sprint Nextel must provide funding for all reasonable and necessary reconfiguration costs incurred by the County and contract vendors. As such we anticipate no net County cost for the project. The amount of funding for each stage will be negotiated between the County and Sprint Nextel, and committed in contractual agreements. The amount to be provided by Sprint Nextel for the planning stage is \$442,408. Of this total, \$246,472 is allocated for work to be contracted to M/A-COM and \$195,936 is allocated for ISD labor costs and outside counsel fees.

Under the terms of the Sprint Nextel agreement, advance funds received for ISD labor costs (\$195,936) will be placed in a trust account specifically designated for the reconfiguration project. The funds will be transferred from trust to ISD earned revenue as actual costs are incurred. For M/A-COM services, the agreements provide that funds will be disbursed by Sprint Nextel directly to M/A-COM only upon acceptance of the work by ISD.

The FCC Order provides for a "true-up" process at project completion. If FCC approved expenditures are less than the funding received, the excess must be returned to Sprint Nextel. If expenditures exceed funding, additional funding must be provided by Sprint Nextel in accordance with FCC guidelines.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

Planning Funding Agreement - Sprint Nextel

The Planning Funding Agreement provides that Sprint Nextel will provide funding to the County in the amount of \$442,408 for the planning stage. The agreement template is a form used nationwide and approved by the FCC. The agreement provides that Sprint Nextel will pay the third-party vendor providing the planning services (M/A-COM) directly upon approval of work by the County. Sprint Nextel will not be performing services for the County. Because the subject agreement is the standard agreement mandated by the FCC, standard County terms and conditions for service contracts are therefore not included in the funding agreement.

Reconfiguration Planning Agreement - M/A-COM

The Reconfiguration Planning Agreement with M/A-COM provides that M/A-COM will provide services to assist the County in developing its reconfiguration plan. The agreement is deliverable based with a Maximum Contract Sum of \$246,472.00. M/A-COM agrees that the obligation for payment is the sole obligation of Sprint Nextel and is not an obligation of the County. Payment to M/A-COM will be made by Sprint Nextel only upon approval by the County of work completed.

This agreement is exempt from Proposition A, as the services are of an extraordinary professional and/or technical nature, and are of a temporary nature (County Code 2.121.250(B)(3)), and therefore is not subject to the Living Wage Program (County Code 2.201).

County-required provisions have been included in the agreement at Attachment F (Additional Terms and Conditions), including the County's Child Support Compliance Program, consideration of GAIN/GROW participants, Contractor Non-responsibility and Debarment, Contractor Jury Service, and Safely Surrendered Baby Law.

Damages are limited under the agreement to direct damages in an amount not to exceed the amount paid under the maximum contract sum. Notwithstanding, M/A-COM has agreed to indemnify the County against all third-party liabilities without limitation or categorical exclusion. We believe that this remedial scheme is commercially reasonable and appropriate for the County in the context of this planning services agreement.

Both the funding agreement and the planning services agreement were reviewed with County Counsel during negotiations, and will be approved as to form prior to execution.

CONTRACTING PROCESS

Planning Funding Agreement (Sprint Nextel)

The Planning Funding Agreement is subject to the FCC Order which requires that Sprint Nextel provide funding for the reconfiguration. The FCC Order requires that funding agreements with Sprint Nextel be negotiated by all agencies nationwide that are affected. Standard agreement forms have been developed by Sprint Nextel and approved by the FCC.

Reconfiguration Planning Agreement (M/A-COM)

In accordance with your Board's policy, ISD notified your Board on January 11, 2007 of our intent to enter into sole source negotiations with M/A-COM. Because the existing CWIRS system is proprietary to M/A-COM, the only vender that can reconfigure our system is M/A-COM.

IMPACT ON CURRENT SERVICES

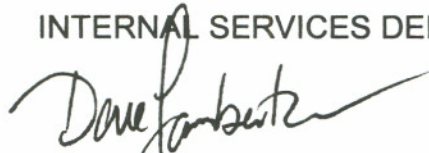
Reconfiguration planning and implementation will proceed in parallel with current CWIRS operation. All activity will be coordinated with the departments to ensure that there is minimal or no impact on operations.

CONCLUSION

Upon approval, the Executive Office, Board of Supervisors is requested to return one (1) adopted, stamped copy of the Board letter and three (3) certified copies of the Board Order to the Director, Internal Services Department and to the Chief Information Officer.

Respectfully submitted,

INTERNAL SERVICES DEPARTMENT

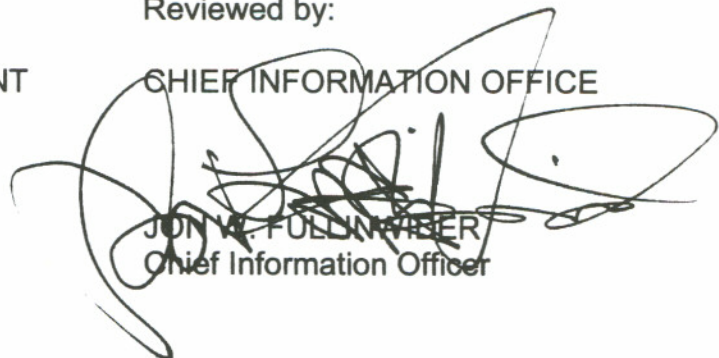


DAVE LAMBERTSON
Director

DL:DM
Attachments

Reviewed by:

CHIEF INFORMATION OFFICE



JON W. FULLINWIDER
Chief Information Officer

c: Chief Administrative Officer
Executive Officer, Board of Supervisors
County Counsel
Auditor-Controller

CIO ANALYSIS

**REQUEST TO APPROVE AGREEMENTS WITH SPRINT NEXTEL CORPORATION
FOR FUNDING AND M/A-COM, INC. FOR PLANNING SERVICES FOR THE
RECONFIGURATION OF THE COUNTYWIDE INTEGRATED RADIO SYSTEM (CWIRS)
(ALL DISTRICTS - 3 VOTES)**

CIO RECOMMENDATION: ☒ **APPROVE** ☐ **APPROVE WITH MODIFICATION**
 ☐ **DISAPPROVE**

Contract Type:

☒ **New Contract** ☐ **Contract Amendment** ☐ **Contract Extension**
☒ **Sole Source Contract** ☐ **Hardware Acquisition** ☐ **Other**

New/Revised Contract Term: **Base Term:** 120 Days **# of Option Yrs** _____

Contract Components:

☐ **Software** ☐ **Hardware** ☐ **Telecommunications**
☒ **Professional Services**

Project Executive Sponsor: Dave Lambertson, Director, Internal Services Department

Budget Information :

Y-T-D Contract Expenditures	\$0
Requested Contract Amount	\$0
Aggregate Contract Amount	\$0

Project Background:

Yes	No	Question
<input checked="" type="checkbox"/>	<input type="checkbox"/>	Is this project legislatively mandated?
<input checked="" type="checkbox"/>	<input type="checkbox"/>	Is this project subvented? If yes, what percentage is offset? 100%
<input checked="" type="checkbox"/>	<input type="checkbox"/>	Is this project/application applicable to (shared use or interfaced) other departments? If yes, name the other department(s) involved? Thirty departments use the system

Strategic Alignment:

Yes	No	Question
<input checked="" type="checkbox"/>	<input type="checkbox"/>	Is this project in alignment with the County of Los Angeles Strategic Plan? The Project supports the County's Strategic Plan Goal 3, Organizational Effectiveness, and Goal 8, Public Safety. The reconfiguration of the Los Angeles Countywide Integrated Radio System (CWIRS) will allow the County to comply with a mandatory requirement of the Federal Communications Commission (FCC) and will result in the utilization of updated technology by County departments. It also supports Goal 4, Fiscal Responsibility in that the reconfiguration will be

		implemented at no cost to the County.
<input type="checkbox"/>	<input checked="" type="checkbox"/>	Is this project consistent with the currently approved Department Business Automation Plan?
<input checked="" type="checkbox"/>	<input type="checkbox"/>	Does the project's technology solution comply with County of Los Angeles IT Directions Document?
<input checked="" type="checkbox"/>	<input type="checkbox"/>	Does the project technology solution comply with preferred County of Los Angeles IT Standards?
<input type="checkbox"/>	<input checked="" type="checkbox"/>	This contract and/or project and its milestone deliverables must be entered into the Information Technology Tracking System (ITTS).

Project/Contract Description:

The Director of ISD is requesting Board approval, and delegated authority to sign, two (2) contracts for the planning stage of the Countywide Integrated Radio System (CWIRS) Reconfiguration Project. The project involves the moving of the CWIRS system to different radio frequencies as mandated by the FCC, and funded by Sprint/Nextel.

- 1) The contract with Sprint/Nextel is for funding, not to exceed \$442,408, for the planning activities for the reconfiguration.
- 2) The contract with M/A-COM, not to exceed \$246,472, is to do the planning activities for the reconfiguration. This is a sole-source contract as M/A-COM is the original supplier of the CWIRS system equipment and is the only firm that can do the modifications.

These contracts are for the planning activities for the reconfiguration. There will be subsequent contracts for the actual reconfiguration work.

Background:

CWIRS is a County radio system used for mobile communications by thirty County departments and agencies, including the Department of Public Works, Department of Health Services, and the Department of Public Social Services.

Beginning in the late 1990s, government agency and public safety radio systems around the country that utilize the 800 MHz frequency spectrum, including CWIRS, began to experience interference in their operations. After an investigation by the Federal Communications Commission (FCC), the cause was determined to be the use of adjacent frequencies by Nextel Communications, Inc. Nextel was later acquired by Sprint and is now known as Sprint Nextel. During 2000-2004, the FCC held hearings and explored various possible solutions to the problem. In August 2004, the FCC issued its Final Report and Order requiring 800 MHz licensees, including Los Angeles County, and Sprint Nextel to move to new frequencies. The FCC ordered Sprint Nextel to fund the moves.

Project Justification/Benefits:

- 1) This project is mandated by the FCC. The County must comply with the FCC order or else the County will lose the frequencies and have to shut down the radio system.
- 2) The project will eliminate the radio Interference experienced by the County and other users in this frequency band by moving to a new band.
- 3) The project will facilitate the acquisition and installation of new equipment on CWIRS, providing an opportunity to refresh the System with benefits of updated technology and greater longevity at no cost to the County.

Project Metrics

ISD has established the following project schedule:

- 1) In January 2007, a Planning Funding Agreement (PFA) was negotiated with Sprint Nextel to provide funding for the Planning Stage. An amount of \$442,408 was requested. A contract in the amount of \$246,472 with M/A-COM was negotiated for the reconfiguration planning. The difference between the Sprint/Nextel funding and the M/A-COM contract is to compensate for County labor in the planning activities. The contract planning activities with M/A-COM is for 120 days. The Planning Stage will result in the development of a detailed statement of work and cost estimate for the Implementation Stage.
- 2) A Frequency Reconfiguration Agreement (FRA) will be negotiated with Sprint Nextel in approximately June 2007 to provide the funding for the Implementation Stage. The estimated amount that will be necessary to implement the reconfiguration is approximately \$30 million. This amount will be determined during the Planning Stage. A contract will be negotiated with M/A-COM to provide the equipment and services to perform the reconfiguration of the CWIRS system. Both the Sprint/Nextel funding agreement and the M/A-COM contract will be submitted to the Board for approval.
- 3) The Implementation Stage is estimated to begin August 2007 and end June 2008.

Impact On Service Delivery Or Department Operations, If Proposal Is Not Approved

Reconfiguration is FCC mandated. Failure to comply before the stipulated deadline will result in cancellation of the County's 800 MHz frequency licenses and the resulting cessation of CWIRS service.

Alternatives Considered:

None

Project Risks:

Project risks include failure of the County to negotiate the Frequency Reconfiguration Agreement with Sprint Nextel, failure of the County to execute the reconfiguration of the

equipment without disrupting critical services, failure to complete the reconfiguration before the stipulated deadline, or failure of Sprint Nextel to fully compensate the County for material and labor expended.

Risk Mitigation Measures:

If the County and Sprint Nextel cannot complete negotiations by the end of July 31, 2007, there is a FCC required process to resolve differences. The FCC Transition Administrator, an FCC contractor, is required to mediate negotiations if parties have not completed negotiations by the end of July 31, 2007. If the Transition Administrator determines that the parties will not be able to successfully complete negotiations, the FCC provides binding arbitration between the parties.

Contractors and material suppliers that will be furnishing and implementing the new equipment or configurations will be acquired using standard County procurement and contracting processes and procedures.

The current CWIRS operations must continue as the changes are made. Implementation of the reconfiguration will proceed in parallel with the current operation of CWIRS. All activity will be coordinated with the departments to ensure that there is minimal or no impact on operations.

When funding is received from Sprint Nextel, it will be placed in an account specifically designated for the reconfiguration project. Funds will be allocated as expenditures occur. The FCC Order provides for a "true-up" process at project completion. If expenditures are less than the funding received, the excess must be returned to Sprint Nextel. If expenditures exceed funding, additional funding must be provided by Sprint Nextel in accordance with FCC guidelines.

Financial Analysis:

There will be no net County cost for this effort. Under the FCC Order, Sprint Nextel must provide all funding. This will be accomplished in two stages: this current planning funding stage and the later implementation stage. The amount of funding to be provided for each stage is negotiated between the County and Sprint Nextel in contractual agreements. Payment for equipment, material, and contractors goes directly from Sprint Nextel to the providers. The County is only responsible for approving the invoices. The County receives direct funding from Sprint Nextel only for County labor expended.

CIO Concerns:

None

CIO Recommendations:

The CIO recommends that this project be approved.

CIO APPROVAL

Date Received: 2-7-07

Prepared by: Dennis Shelley

Date: February 7, 2007

Approved: 

Date: 2-7-07